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P. O. Box 25871  
Yuma AZ 85367  
February 20, 2013

Arizona Corporation Commission  
Hearing Division  
1200 West Washington  
Phoenix, AZ 85007-2996

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ARIZONA CORPORATION COMMISSION  
HEARING DIVISION



Dear Arizona Corporation Commission:

We would like to protest the proposed unreasonable increase in the Far West Water and Sewer rate.

On January 30, 2013, I wrote a letter regarding the proposed rate increase, this is a follow up letter based on an article in the "Yuma Sun" dated Wednesday, February 20, 2013. This article outlines the rates charged by the City of Yuma, the State average and how the City of Yuma' Water and Sewer service is entirely self-supporting. From these figures it appears Far West is not capable of managing it's business. Please see attached article.

We plan to be at today's meeting but expect a rather large gathering; and based on last year's meeting do not expect to be able to voice our opinion. Thus, we want to record our protest to the rate increase through this letter.

Yours truly:

  
  
Jerry D Akin

Karen Kay Akin

Arizona Corporation Commission

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REPORT BREAKING NEWS: 919-0115

# Proposed study would look at water, sewer rates

BY JOYCE LOBECK  
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It's time for the city of Yuma to conduct another study of its water and sewer rates, utilities director Jay Simonton told the Yuma City Council at Tuesday's roundtable.

Simonton noted that the last study was completed in 2006. Since then, costs for the service have changed and the community has grown.

"We need to look at whether our rates are where they should be and that they're appropriate for rate payers."

He emphasized that he is not proposing any changes to the rates. "I'm just here for discussion about doing the study next year."

Simonton also noted that the city's delivery of water and sewer services is entirely self-supporting from revenue it generates. It receives no money from the city's general fund.

Compared with other municipalities in Arizona, he said, Yuma's average residential water bill of \$34.66 for 10,000 gallons is

below the state average of \$35.37. But its water connection charge at an average of \$5,738 is slightly above the state's \$5,007.

The same is true for the city's sewer charges. Yuma's monthly average residential sewer bill is \$32.48 compared with the state's \$42.86. Meanwhile, its residential sewer capacity charge of \$6,897 is the highest in the state.

That's likely because Yuma has one of the newest sewer treatment plants, Desert Dunes, in the state, Simonton said. He said new technology, rising construction costs and increasing government regulations are driving up the cost of new treatment facilities.

As other communities are faced with those challenges, their costs will go up as well, he predicted.

Objectives of the rate study would be:

- Ensure full cost recovery.
- Stable and predictable revenue stream.
- Fair and equitable charges among each customer class.
- Simple and easy rate structure to understand.

• Simple rate structure to administer.

• Legal and defensible.

• New growth pays for new growth.

Simonton said one potential alternative might be basing residential sewer rates on water use in the winter months when landscaping watering would be at a minimum. Another is to offer variable sewer rates for residential customer classes so a retired household with one or two people would pay less for sewer than a large family that uses considerably more water.

A third consideration is to offer a payment plan for sewer capacity fees for new commercial and industrial customers who often are faced with thousands of dollars in the one-time charge as well as start-up costs.

The proposal is to hire a third-party consultant to do the study this summer, to include gathering public input, and complete the process in fiscal year 2014.

In other business, the council heard briefings on mobile food vendors and feather or vertical banners.

Laurie Lineberry, director of community development, told the council that the city currently has no rules or regulations regarding mobile food vendors. She noted that mobile food vending is becoming a popular trend nationwide and many cities have enabling ordinances.

She said the Yuma County Health Department oversees food safety issues but there is no regulation of such issues as parking, loud music, flashing lights, lack of city business license or collection of city sales tax. Some are set up to brick-and-mortar restaurants, thereby presenting unfair competition to businesses that have invested in their property and are collecting sales tax.

"It's good food and good people just trying to make a living," said Mayor Al Krieger, suggesting that the city reach out to the vendors and try to come up with some solution that would enable them to continue their business while meeting the city's concerns.

As for feather banners, Lineberry said that nearly all of them are on public right of way. She observed that she was directed

by a previous administrator not to interfere during the economic downturn when businesses were doing everything they could to survive.

City code already prohibits signs of any kind in the city's right of way, Krieger said. And the feather signs are temporary signs allowed only for a certain amount of time.

"I think the lack of enforcement of what we have on the books is what created this issue," he said. "The code isn't being enforced, that's why I brought it up. We need to either enforce the code or change it."

Lineberry said her department has come up with a plan to have each code enforcement officer meet with one business owner a day. More would be difficult as they're responsible for other issues that directly impact public safety.

Krieger, however, was concerned that creates an unfair playing field for competing businesses.

"Be as kind as you can," he said. "And focus first on the signs in the right of way."